

ADVANCING U.S. INTERESTS IN THE WESTERN HEMISPHERE: THE FY 2018 BUDGET REQUEST

HEARING BEFORE THE SUBCOMMITTEE ON THE WESTERN HEMISPHERE OF THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES ONE HUNDRED FIFTEENTH CONGRESS

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**ADVANCING U.S. INTERESTS IN THE
WESTERN HEMISPHERE: THE FY 2018
BUDGET REQUEST**

WEDNESDAY, JULY 12, 2017

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 3:08 p.m., in room 2172, Rayburn House Office Building, Hon. Jeff Duncan (chairman of the subcommittee) presiding.

Mr. DUNCAN. All right. A quorum being present, the subcommittee will come to order.

We are going to go ahead with an abbreviated agenda today just due to time of our witnesses and be respectful, because we are delayed. We are delayed by votes on the House floor, and our witnesses have a hard stop departure this afternoon. And the ranking member, our witnesses, and I have agreed to forego our opening statements so we can proceed immediately to member questions and answers.

Statements will be provided for the record, if anybody would like to read the witnesses' statements, opening statements of the members. I want to thank everyone for their cooperation and patience. This is the way the schedule goes sometimes.

So, without objection, everyone's opening statements will be entered in the record, and we will now proceed to questions.

[The information referred to follows:]

Chairman Jeff Duncan
Opening Remarks
Foreign Affairs Committee's Subcommittee on the Western Hemisphere

"Advancing U.S. Interests in the Western Hemisphere: The FY2018 Budget Request"

Wednesday, July 12, 2017 at 2:00 p.m. in Rayburn Room 2172

Today, we meet to review the Trump Administration's FY 2018 budget request, which includes more than \$1.1 billion in foreign assistance to countries in the Western Hemisphere. Let me be very clear: the U.S. has significant interests in this region of the world, and we care about seeing our neighbors achieve greater security and economic prosperity. President Trump has affirmed that Latin America is a priority, he has held five meetings and 14 phone calls with leaders from the region, and Vice President Pence has asserted that "our partnerships and alliances through the region are critical to our national interests." Gone are the days of U.S. disengagement from the region. Today is a new day, and I am excited about the tremendous opportunities we have to exert leadership and affirm strong U.S. reengagement with Latin America and the Caribbean. In particular, I applaud the Administration's priorities reflected in this budget to work with our neighbors to deter illegal immigration and combat the growing threat from transnational criminal organizations. These actions are especially important as drug cultivation and trafficking are once again on the rise in the region.

However, U.S. assistance to the region – and around the world frankly – must be better balanced with the realization that our country is nearly \$20 trillion in debt. Gone are the days where we support programs without achievable, sustainable objectives and political will from countries to sufficiently address the corruption and impunity that threaten these programs' effectiveness. Today, U.S. foreign assistance in the region must advance U.S. national interests,

demand results, and protect taxpayers to prevent fraud, waste, abuse, or duplication of funding. Oversight is essential, and this budget hearing is part of that transparent process. At a time when drug trafficking is growing, transnational criminals and terrorist operate across borders, and China, Iran, and Russia are expanding their influence in the region, we have strategic priorities close to home that require U.S. attention. Our support for the Western Hemisphere is but a fraction of what we spend globally – it was less than 10 percent in 2015. Yet, I believe we receive a far greater return on investment in our own hemisphere in terms of jobs, security, and prosperity than elsewhere in the world due to our proximity.

The Administration's FY 2018 budget reflects a security-oriented approach, which I believe complements last month's inaugural Conference on Prosperity and Security in Central America with the Northern Triangle nations. I commend the Administration's continued focus on Central America, Colombia, Mexico, Haiti, and the Caribbean. I also believe the increase for nonproliferation, anti-terrorism, and demining programs in the region by 167 percent is critical to helping our neighbors, especially Colombia, to deal with these security vulnerabilities inhibiting economic growth. Significantly, Colombia and Mexico would continue to be among the top recipients of U.S. foreign assistance under the FY 2018 budget request. As Colombia begins implementing its peace deal with the FARC and as Mexico seeks to address its ongoing security situation, U.S. collaboration and cooperation is vital. Given the long-term U.S. financial investment in Colombia, the U.S. maintains a considerable stake in its peace and stability. Funding for Mexico should also continue to support the Mérida Initiative to strengthen the rule of law, strengthen judicial institutions, and combat criminal groups.

In addition, this budget request would also continue assistance to Haiti as the second-largest recipient in the region. The U.S. has a vital interest in strengthening Haiti's stability and

economic growth; however, multiple GAO reports have shown problems of U.S. aid without adequate oversight, accountability, and transparency. The anticipated upcoming end of the U.N. peacekeeping mission in Haiti also provides a new layer of challenges for the country. It is my view that while we should continue our focus on Haiti, we cannot forget the rest of the Caribbean. Given the balloon effect of the drug flow to the Caribbean from U.S. and regional efforts in South and Central America, we have clear security interests in the Caribbean. I commend the Administration's continued support for the Caribbean Basin Security Initiative.

Finally, we would be remiss if we ignored the importance of democracy and good governance programs in the region. Given the new U.S. policy toward Cuba and President Trump and Vice President Pence's earlier meetings with former Cuban political prisoner, Dr. Oscar Biscet, and the wife of Venezuelan political prisoner Leopoldo Lopez, Lilian Tintori, I know that the Administration has affirmed repeatedly that "America cares deeply for the plight of the Venezuelan people and the Cuban people." I could not agree more. Cuts in democracy and governance programs are harmful to achieving freedom in countries under oppressive governments. We should instead do more to support freedom in countries like Cuba, Venezuela, Nicaragua, Ecuador, and Bolivia. In conclusion, I appreciate the Administration's commitment to review the effectiveness of our contributions to Inter-American organizations and its determination to enact quota reform in the OAS. I look forward to hearing the results of that review. With that I turn to Ranking Member Sires for his opening statement.

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**House Committee on Foreign Affairs
Subcommittee on the Western
Hemisphere**

**Congressman Albio Sires (D-NJ)
Ranking Member**

**Opening Statement - Advancing U.S. Interests in the Western Hemisphere: The FY 2018 Budget Request
Wednesday, July 12th, 2017 at 2:00 PM in 2172 Rayburn**

- Mr. Chairman – thank you for holding this hearing. I am glad to see us address this budget and its effects on our engagement in the Western Hemisphere.
- It is worrisome to see that this current budget proposal supports such disengagement in the Western Hemisphere.
- From cuts to democracy programs and food security projects to the elimination of support for the Inter American Foundation and the OAS, this budget shows a stark image to our hemispheric partners that we do not plan to create a constructive dialogue and produce solutions to international problems that affect us all.
- The Administration should ask itself how the U-S will achieve our goals by defunding the means to them.
- How will the U-S decrease the forced migration of displaced persons and refugees to the U-S by cutting the budget for the Migration and Refugee Assistance program?
- How will the U-S stand for democracy through political representation by eliminating support for civil societies in countries such as Venezuela and Cuba?
- The means to a successful engagement with U-S partners includes a comprehensive whole of government approach.
- With these draconian budget cuts, we take diplomacy out of our international affairs and allow for U-S engagement to be replaced by nefarious actors like Russia and China who do not share our values or our goals.
- I think I speak for us all here on the committee when I say there are bipartisan concerns on this budget.

- I am hopeful that our witnesses will address our concerns and give us confidence that our Administration understands that we have gained too much from our engagement in the Western Hemisphere to allow for these nonsensical cuts that dismantle our past successes.
- I thank the witnesses for being here and look forward to your testimony.

FY 2018 U.S. ASSISTANCE REQUEST FOR THE WESTERN HEMISPHERE

TESTIMONY OF
 FRANCISCO L. PALMIERI
 ACTING ASSISTANT SECRETARY OF STATE
 BUREAU OF WESTERN HEMISPHERE AFFAIRS
 U.S. DEPARTMENT OF STATE
 BEFORE
 THE SUBCOMMITTEE ON THE WESTERN HEMISPHERE
 HOUSE COMMITTEE ON FOREIGN AFFAIRS
 July 12, 2017

Chairman Duncan, Ranking Member Sires, and Members of the Subcommittee:

Thank you for the opportunity to testify on the Fiscal Year 2018 foreign assistance request for the Western Hemisphere.

The FY 2018 \$1.09 billion request for the Western Hemisphere prioritizes programs that directly support U.S. national security by addressing illicit pathways, while creating an environment for increased U.S. trade and investment in the hemisphere. Security and prosperity in the region benefits our interests directly, and creates opportunities for U.S. companies.

The request supports programming that disrupts transnational criminal organizations (TCOs), strengthens border security, combats corruption and impunity, and reduces the flow of irregular migration, illicit drugs, and illegal goods across our southern border. The request reflects the President's commitment to rebuild our nation's military within fiscal constraints, while working on behalf of the American people to advance our national security objectives and foreign policy goals. The request for the Western Hemisphere includes six primary components:

In Central America, the request includes \$460 million to address the economic, security, and governance drivers of irregular migration and drug trafficking to the United States. The June 15-16 Conference on Prosperity and Security in Central America, which the U.S. government co-hosted with the Government of Mexico, was attended by Vice President Pence, Secretaries Tillerson, Kelly, and Mnuchin, senior-level Central American government officials, representatives from other partner countries, and leaders from the private sector and international financial institutions. Participants discussed investment promotion, sustainable growth, opportunities for U.S. firms, and cooperation to combat organized crime, promote security, and advance the rule of law. The conference also affirmed U.S. support for the Plan of the Alliance for Prosperity, the reform initiative of the Northern Triangle countries of El Salvador, Guatemala, and Honduras.

Security cooperation with Mexico under the Merida Initiative combats TCOs, narcotics, and other illicit trafficking, overcomes shared migration challenges, improves border controls, and strengthens Mexico's capacity to end impunity. The FY 2018 request for the Merida Initiative is \$85 million. The request supports Mexico's efforts to combat illicit poppy cultivation, heroin production, and fentanyl trafficking; advance the rule of law; protect human

rights; and reduce violence that poses a risk to the United States, consistent with the U.S.-Mexico Strategic Dialogue on Disrupting TCOs hosted by Secretary Tillerson in May.

For Colombia, the request includes \$251.4 million for assistance focusing on reducing the production and trafficking of cocaine to the United States, while helping to secure a just and lasting peace, thereby strengthening a strategic security partner. The President reaffirmed the U.S. partnership with Colombia during President Santos' visit to Washington in May.

The \$157.5 million request for Haiti promotes good governance; fights poverty; advances economic growth initiatives, improves food security and nutrition; supports transparent and accountable government institutions; provides critical support to the Haitian National Police; and supports assistance to reduce the prevalence of HIV/AIDS.

For Peru, the \$49.7 million request supports efforts to combat the illicit drug trade and TCOs through tightly paired eradication and alternative development. The request also supports anti-money laundering and asset-forfeiture; counternarcotics and justice sector efforts; customs and port security; and includes private sector-led alternative development programs.

In the Caribbean, the \$36.2 million Caribbean Basin Security Initiative request addresses crime, violence, and illicit pathways threatening the United States by focusing on maritime border controls, illicit trafficking, and the root causes of transnational crime. Programs included in the request will increase public safety and security; strengthen law enforcement; improve justice institutions; and support anti-corruption and alternatives for at-risk youth.

I look forward to your questions.

**Prepared Testimony of Sarah-Ann Lynch
Acting Assistant Administrator for Latin America and the Caribbean
United States Agency for International Development (USAID)
Before the House Foreign Affairs
Subcommittee on the Western Hemisphere
Wednesday, July 12, 2017, 2:00 p.m.**

Chairman Duncan, Ranking Member Sires, and members of the Subcommittee, thank you for the invitation to testify today. I am grateful for the Committee's support for the United States Agency for International Development's work in Latin America and the Caribbean, and am pleased to have this opportunity to present our plans outlined in the fiscal year (FY) 2018 budget request.

Introduction

The FY 2018 request of \$541 million for the Western Hemisphere through the Economic Support and Development Fund and USAID's Global Health Programs includes support for USAID's programs in the region that recognizes the need for greater security, prosperity, and good governance throughout Latin America and the Caribbean to bring greater security and opportunity to the United States. We are focusing our efforts on programs that stem the flow of illegal migration by addressing root causes, disrupt the activities of transnational criminal organizations, and advance security and prosperity in our neighbors to the south and here at home.

USAID programs in Latin America and the Caribbean play a critical role in our national security. Our efforts in the region promote security and prosperity in the United States and the Western Hemisphere by providing alternatives to youth at risk for violence and illegal migration; giving rural farmers an alternative to coca cultivation; strengthening governments' ability to combat crime and disrupt transnational criminal organizations that traffic in drugs, weapons, and people; supporting transparent and accountable governance and anti-corruption efforts; and creating an economic environment in which the private sector can flourish, create jobs, and open markets for American businesses.

Central America

Central America, particularly the Northern Triangle countries of El Salvador, Guatemala, and Honduras, is USAID's highest priority in the hemisphere. Illegal migration, including that of unaccompanied children, is largely a result of poverty and a lack of opportunity, instability marked by crime and violence, and weak governance, including high levels of corruption and impunity. USAID is working with the governments of the region, the private sector, and civil society to address the drivers of migration and instability. Of the total Department of State and USAID \$460 million FY 2018 request for Central America, USAID proposes to implement approximately \$294 million for our integrated strategy, which tailors programs to address the challenges unique to each country. These investments complement the Northern Triangle countries' Alliance for Prosperity Plan and their commitment to provide more than \$5.4 billion of their own resources in 2016 and 2017 combined to stimulate development in the region.

Prosperity, Security, and Governance

Deep-seated issues of social and economic inequity and lack of economic opportunity for vast segments of society stymie economic growth in Central America. In the Northern Triangle, lack of economic opportunity drives people to migrate in search of a better life and contributes to insecurity as people turn to illicit means of income generation. In the FY 2018 request, USAID builds upon programs that are already having a transformative impact and prioritizes prosperity programs that focus on improving small and medium-sized business development, vocational education, and workforce training that offers licit employment opportunities to out-of-school youth who are at risk for gang recruitment, crime, violence, and migration. We are targeting the geographic regions and populations most likely to migrate, particularly the rural poor in Guatemala and urban youth in El Salvador and Honduras. For example, in El Salvador, USAID prosperity programs assisted 11,000 small and medium-sized enterprises, generating more than 22,000 jobs and \$153 million in sales during the last five years.

Despite recent improvements in the security situation, the countries of the Northern Triangle remain among the most violent in the world, ranking in the top five in the hemisphere in murder rates. USAID's FY 2018 request is confronting the drivers of violence to make communities safer, promote the rule of law, and defend human rights, particularly among vulnerable populations and victims of violence. Under the Central America Regional Security Initiative (CARSI), we are taking a data-driven approach to violence reduction that targets those at the highest risk of gang violence perpetration and/or victimization. We support individual- and community-level interventions, such as youth outreach centers and municipal violence prevention committees, paired with targeted institutional reform that improves the quality and legitimacy of police and justice systems. In many of these communities, we are working under the "Place-based Strategy" with our colleagues at the Department of State to use our comparative advantages in specific geographic locations characterized by high levels of crime and violence. For example, thanks to a concerted effort by USAID and the Department of State and leadership from the Government of Honduras, there was a 62 percent decrease in homicides between 2013 and 2015 in the Rivera Hernández neighborhood of San Pedro Sula, Honduras, the most violent neighborhood in the most violent city in one of the world's most violent countries.

Growth in prosperity and improved security in the region are hampered by systemic challenges across local and national governments. Corruption enables transnational criminal organizations to operate more freely and turns public sentiment against the state. For FY 2018, USAID is prioritizing governance efforts that work with government institutions to reduce impunity, combat corruption, and build citizen trust. We are working with courts, attorneys general, and civil society watchdog organizations to build cases against corrupt officials and improve the judicial systems that prosecute them. Programs also help the governments to increase revenue collection and manage expenditures in order to fund development efforts. For example, in Guatemala, USAID supported an integrated 24-hour court system that helped courts meet a constitutional requirement that evidence be presented within 24 hours of arrest. As a result, the percentage of criminal cases dismissed without merit dropped from 70 percent to 15 percent.

South America

USAID's FY 2018 request for South America prioritizes Colombia and Peru. Despite growing economies, both are plagued by high levels of coca cultivation and related illicit activity that strengthens transnational criminal organizations and furthers instability in the region. USAID's FY 2018 request focuses on rural economic development as a way to build licit alternatives that will allow poor, rural farmers to participate in their nations' economic progress.

Colombia

In Colombia, dynamic, sophisticated urban centers like Bogota and Medellin thrive alongside a rural countryside that is suffering the effects of the 52-year conflict between the Government of Colombia and the Fuerzas Armadas Revolucionarias de Colombia (Revolutionary Armed Forces of Colombia, FARC). Thanks to the Peace Accords signed in 2016, rural populations isolated by conflict will have access to government services for the first time in more than a half-century, but transnational criminal organizations remain a threat.

The lack of state presence and limited licit economic options for those living in areas formerly controlled by the FARC are serious challenges with effects that extend beyond Colombia's borders. One of the most troubling of these challenges for the United States is the increasing flow of cocaine across our border. The FY 2018 request includes \$105 million for USAID to continue to help solidify the hard-won peace, prioritizing programs that encourage a diversified rural economy and alternatives to coca production; support the reintegration and inclusion process; and further Government of Colombia efforts to increase institutional presence, protect human rights, promote access to justice, and provide services to historically underserved areas.

USAID's efforts are having a positive impact. For example, our rural economic development programs have helped to develop both the domestic and international markets for high-value crops of cacao, specialty coffee, rubber, and dairy products. In Tumaco, one of the most impacted regions of the country, these programs benefited more than 5,200 families and created more than 2,000 jobs in 2016.

Peru

Peru has proven to be a vital partner to the United States in a polarized region, and has developed into a more responsive democracy that pursues equitable economic growth. Despite its growing economy, Peru's financial success has yet to reach many Peruvians, particularly those who live outside the coastal urban areas. The country was the second-largest producer of cocaine and cultivator of coca in 2015.¹

In light of these challenges, USAID is focusing its FY 2018 request of \$22 million on alternative development programs. We work in underdeveloped areas to help rural farmers produce high-value crops and connect them to markets, particularly specialty chocolate (cacao) and coffee, that give them a safe, stable, lucrative alternative to illicit activity and help the country participate in international markets. According to the United Nations Office on Drugs and Crime, coca

¹United States Department of State Bureau for International Narcotics and Law Enforcement Affairs; International Narcotics Control Strategy Report 2017, March 2017; <https://www.state.gov/documents/organization/268025.pdf>, accessed 07/2017

cultivation in Peru decreased by nearly 90 percent from 2011-2015 in places where alternative development was paired with forced eradication.² This effort helps to take funding out of the hands of dangerous cartels that affect U.S. security.

FY 2018 funds will continue programs that are already seeing success in the provinces of San Martín, Ucayali, and Huanuco, areas once overwhelmed by narco-trafficking and violence. In FY 2016, in collaboration with the Peruvian government, we reached more than 37,500 families with our alternative development programs. Sales of legal farm and non-farm products from these areas totaled \$41 million and created 20,500 full-time-equivalent jobs.

Caribbean

The majority of USAID's FY 2018 request for the Caribbean is dedicated to two primary areas: continued development in Haiti and citizen security interventions across the region under the Caribbean Basin Security Initiative.

Haiti

As is the case elsewhere in the region, poverty and lack of opportunity are key drivers of illegal migration from Haiti to the United States and elsewhere. The FY 2018 budget request includes \$64 million for USAID work in Haiti, where we are prioritizing programs that fight poverty and promote good governance. Our work will focus on providing economic opportunity through agriculture development and micro-, small, and medium-sized business development; improving food security and nutrition; fighting infectious disease and improving primary healthcare services; improving access to water and sanitation; and advancing transparent and accountable government institutions.

USAID programs have produced measurable results in Haiti, especially in agricultural production and job creation. For example, USAID has introduced improved seeds, fertilizer, and other innovative technologies to more than 70,000 farmers, helping to increase crop yields. And our work in economic growth has leveraged \$12 million of private sector funds and created more than 13,000 jobs.

Caribbean Basin Security Initiative

According to the Inter-American Development Bank, spending on policing, corrections, private sector security, and lost income from victims and incarcerated youth costs the Caribbean between 2.41 percent and 3.55 percent of gross domestic product, among the highest costs in the region.³ Youth unemployment in the region is high, averaging between 20 and 40 percent, exposing young people to increased risk of migration and criminal activity, including gang affiliation and drug trafficking.

In FY 2018, USAID is requesting \$20 million for the Caribbean Basin Security Initiative to reduce illicit trafficking, increase citizen security, and address the root causes of crime and

²United Nations Office on Drugs and Crime; Perú Monitoreo de Cultivos de Coca 2015; https://www.unodc.org/documents/crop-monitoring/Peru/Peru_monitoreo_coca_2016.pdf

³Inter-American Development Bank; The Costs of Crime and Violence: New Evidence and Insights in Latin America and the Caribbean, 02/2017; <https://publications.iadb.org/handle/11319/8133>; accessed 06/2017

violence across the Caribbean. USAID's work with governments and civil society in the region includes programs to reduce corruption; reform justice systems; increase transparency, professionalism, and trust between police and communities; and provide social and economic opportunities to at-risk youth. Together, these programs help to reduce the likelihood that young people will engage in criminal activity or migrate in search of security or opportunity.

USAID programming has helped Caribbean countries to achieve success. For example, in 2016 in the Dominican Republic, nearly 4,000 youth obtained new or better jobs. And great strides have been made in enacting legislation in three member states in the Eastern Caribbean, with passage of a child justice law guiding treatment of youth in conflict with the law.

USAID Efficiency and Effectiveness in Latin America and the Caribbean

Success in these endeavors will require other actors to play a more robust role. To this end, USAID is engaging the private sector, including American businesses, in partnerships that benefit all involved. For example, since 2012, USAID has leveraged approximately \$146 million in private sector and non-USG resources for public-private partnerships in Central America alone. Through Development Credit Authority guarantees, nearly \$34 million has been lent to over 20,000 micro-, small, and medium-sized enterprises across former coca-producing regions in Peru since 2003, promoting legal livelihoods.

We have a responsibility to the United States taxpayer to design and implement programs that contribute to broader national security goals and to maximize results of these programs. To do this, we integrate performance monitoring, evaluation, and other accountability tools into all our programs. We use the evidence generated by these tools to make course corrections as needed and to inform design of new programs, all in support of accountability, transparency, and meaningful oversight of all our programs.

Conclusion

USAID's FY 2018 request for Latin America and the Caribbean prioritizes the challenges that most directly affect the United States. Our work will help to stem the flow of illegal migration by addressing the root causes that drive people from their homelands in search of a better life. Supporting efforts to reduce these root causes protects our homeland and our citizens. We would like to thank this Committee for its interest in and support for our work, and look forward to collaborating with you to address the challenges and opportunities in the region.

Thank you for your time; I look forward to your questions.

Mr. DUNCAN. I guess I am first.

The ranking member is on his way.

In Cuba, in recent years, attacks against dissidents and violations of human rights in Cuba have increased. As of May 8, the Cuban Commission for Human Rights and National Reconciliation reported that there were at least 1,867 short-term detentions for political reasons in the first 4 months of 2017. Today, Cuba has at least 140 political prisoners. Despite the June rollout of new policy with emphasis on protecting the human rights of Cubans, democratic assistance to Cuba was cut from the 2018 request down from \$20 million in democracy assistance in the 2016 that was used to support human rights groups and civil society on the island.

So how does the administration reconcile the public support for human rights on one hand and freedom in Cuba with the elimination of funding that provides capacity-building and support to local groups and organizations that are promoting these rights on the island?

Mr. Palmieri.

Mr. PALMIERI. Thank you, Mr. Chairman, for that question. Foreign assistance was reduced globally, sir. And we believe we have a number of other tools that will permit us to continue to engage and press Cuba on the human rights front. We will continue to use our Embassy in Havana to do outreach to human rights and civil society groups. We will engage in multilateral fora, such as the OAS and the Inter-American Commission on Human Rights. We will work with international partners, the EU, and other countries of the Western Hemisphere to apply pressure. We will continue—through direct bilateral talks, such as the Human Rights Dialogue—to press Cuba on that specific issue, sir.

Mr. DUNCAN. Ms. Lynch?

Ms. LYNCH. Thank you, sir.

We have an existing appropriation that does get to the humanitarian assistance issues that you mentioned, whereby we are providing a package of goods to political dissidents, political prisoners, and their families, and we will continue to program that appropriation with existing funding.

Mr. PALMIERI. Sir, I was also——

Mr. DUNCAN. Yes, sir.

Mr. PALMIERI. I was also remiss in not mentioning the President's new National Security Presidential Memorandum makes it clear that engagement on human rights and democracy issues in Cuba will be at the forefront of everything we do in the new policy.

Mr. DUNCAN. Okay. Thank you for that.

Focus on Venezuela. We have a letter going to President Trump on Venezuela. Current signers are myself, the ranking member, Ms. Ros-Lehtinen, and Francis Rooney. I am going to ask unanimous consent to put this in the record, but I also would like to pass this around if anyone would like to sign it.

But Venezuela and some of the actions there by Maduro creating a Constituent Assembly as they call it, and, basically, undermining the Venezuelan Constitution. Can you talk with me a little bit about what the focus is in this budget with Venezuela, with regard to what the United States is doing with Venezuela, and how it may positively or negatively impact the Maduro regime?

Mr. PALMIERI. Yes, sir. We continue to be focused on the four commitments that the Venezuelan Government made in the dialogue and mediation efforts led by the Vatican last fall. That is to immediately release all political prisoners, to schedule the elections that have been postponed, to address the humanitarian needs, and, most importantly, sir, to respect the Venezuelan Constitution and the role of the duly elected National Assembly to allow it to be a part of the democratic process more fully and to provide solutions to the crises in the country.

Mr. DUNCAN. Ms. Lynch?

Ms. LYNCH. Yes. We have existing activities in Venezuela working with civil society organizations with four U.S.-based NGOs here and then 30 to 35 NGOs in Venezuela, and we will continue to be working with those civil society organizations to increase awareness of what is happening on the ground and to increase the ability to report on human rights abuses, corruption, things of that nature. We are also working with the National Assembly to increase their ability to be legislators, doing training and capacity building there.

In addition, we are doing assessments, to the extent we can, on the situation on the ground in the food area, in the economic area, in the financial area, and putting together those assessments so, should there be an opportunity to do more, we will be prepared to have a good response.

Mr. DUNCAN. Okay. Does the Department of State think that democracy and governance support is necessary in the Western Hemisphere?

Mr. PALMIERI. Absolutely, sir.

Mr. DUNCAN. Okay. You think that is broad—let's broaden it beyond. You are from the Western Hemisphere sector, so maybe that is not fair. But do you think that is a policy of the State Department in general, to support democracy and governance?

Mr. PALMIERI. Yes, sir.

Mr. DUNCAN. Okay. Thank you.

Would you agree that foreign aid is a tremendous foreign policy tool?

Mr. PALMIERI. It is a critical and important part of our national power, yes, sir.

Mr. DUNCAN. So influencing foreign policy in a positive way with foreign aid is one thing. Withholding of foreign aid or limiting foreign aid could have a very impactful effort as well, I guess. Right?

Mr. PALMIERI. I would say, sir, there are many tools that we have at our disposal. In a constrained budget environment, we have to determine which priorities and which tools we can use to their greatest effect based on each individual's circumstance, yes.

Mr. DUNCAN. Let me just state for the record: There are a number of countries that receive a tremendous amount of U.S. foreign aid that don't support U.S. efforts sometimes, whether it is votes at the U.N. or the OAS. I am not going to ask you to comment on that. That is my opinion.

I am going to now turn to the ranking member.

Mr. SIREN. Thank you, Chairman, and thank you for holding this meeting.

First of all, I thank you for coming before the committee. And I have certain concerns regarding this budget, especially some of the cuts. I was in Honduras and Guatemala with my colleague, Ileana Ros-Lehtinen. And one of the things that we saw there is how we are helping these countries, especially the Attorneys General of those countries, keeping up under a lot of pressure. I was wondering if some of the cuts are going to impact those Attorneys General and their offices?

Mr. PALMIERI. I would agree, sir, that the work of the three Attorneys General in the Northern Triangle countries specifically have produced some important results over the last few years. There is a renewed commitment by all three of those individuals to attacking impunity, and the support that we can provide them is money well spent.

Ms. LYNCH. Yes. I totally agree with my colleague. Under this budget request, we do suggest continued support for the Attorneys General as well as other national institutions that get to issues of impunity and corruption, such as MACCIH in Honduras.

Mr. SIRES. There is also the elimination of the Food for Peace programming in the budget. I was wondering how you feel about that?

Ms. LYNCH. We will continue with some agriculture funding particularly in the three countries of the Northern Triangle of Central America, as well as in Haiti.

Mr. SIRES. Mr. Palmieri?

Mr. PALMIERI. The Food for Peace program?

Mr. SIRES. Yeah, programming.

Mr. PALMIERI. I would defer to my USAID colleague's answer, yes, sir.

Mr. SIRES. Okay. Who will speak on funding global health? You will also?

Ms. LYNCH. Sure.

Mr. SIRES. I know there is a 62 percent cut there also. So I was wondering how you feel about that.

Ms. LYNCH. Right. We do seek to continue funding global health in certain areas. In maternal and child health, for example, in Haiti, where we want to build on the important work that we have already done there, as well as in Guatemala, where we are looking to shift much of that funding to nutrition, which is key to some of the important and most problematic issues in Guatemala, which are stunting.

Mr. SIRES. Mr. Palmieri, what kind of a message do you think we are sending to this part of the world when we have these cuts?

Mr. PALMIERI. In Central America, I think what we are trying to do is build on the efforts that have been made in previous budgets. In Fiscal Year 2015, Fiscal Year 2016, and Fiscal Year 2017, we have a combined \$2 billion that we are directing to Central America.

And so Secretary Tillerson, with Secretary Kelly and Secretary Mnuchin, hosted a conference last month on Central America where the President of Honduras, the President of Guatemala, and the Vice President attended, and we began to look at ways that we can involve the private sector, multilateral development banks, and so that we can deepen the economic investments in the region. And

through both our previous assistance and the additional money in the Fiscal Year 2018 budget, we can begin to address some of the underlying conditions there.

Mr. SIREN. Thank you. I don't want you to think this is the only administration I said this about. I was also concerned the previous administration that we were not focusing enough attention on the Western Hemisphere. Because I really feel that it is one of those places where we have neglected due to the fact that, you know, the world is at war, basically, and in the Middle East, and the focus, the attention, is there. But I think we would be shortsighted if we don't pay attention to our backyard.

It is critical that we continue to support some of these programs and continue to harbor a relationship like we always had.

Mr. PALMIERI. Yes, sir. I agree. And I think Secretary Tillerson has made the Western Hemisphere a priority at the start of his work here, the Central America conference, his first trip was to Mexico. I think we are working hard at both the issues of national security and economic prosperity, because we do believe what is good for the United States is also good for the region. And working together, we can continue a positive path, as you just outlined.

Mr. SIREN. I am concerned about the security, because some of the players that are going to South America are not our friends. So security is very important.

Thank you, Mr. Chairman.

Mr. DUNCAN. I agree with you. I hope that is Tillerson's focus and opinion. I haven't asked him. I hope that's correct. I applaud him for that, because that is what we are going to focus on.

I will now go to the gentlelady from Florida, the former chairwoman, and the current chairwoman of Middle East and North Africa.

Ms. ROS-LEHTINEN. Thank you, very much, Mr. Chairman.

And welcome to you both.

As Mr. Sires pointed out, he and I traveled to Guatemala and Honduras in March. It was a wonderful visit to great countries who are solid allies of the U.S.

And while we were there in Honduras, I asked our Ambassador to please look into the visa restrictions that we placed—previous administration—in 2009. And after nearly a decade, boy, we really need to return the visas to the Hondurans impacted.

Could I receive your assurances, Mr. Palmieri, that you will look into this matter and that you would please get back to me on this?

Mr. PALMIERI. We will absolutely get back to you on that issue, Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you.

They have been so singled out and punished for adhering to the constitution. And they were proven correct. But, still, they are there, unable to leave their country. So thank you so much.

Furthermore, Mr. Palmieri, the Cuban directive, as we know, was issued on June 16th. And that directive states that the changes shall not prohibit the support for democracy programs in Cuba. And that is so important. But the budget proposal zeroed out budget programs in Cuba. And I know that the chairman and the ranking member have pointed that out, how these cuts just seem to be maybe penny wise, pound foolish.

Can civil society groups in Cuba survive without this much needed U.S. assistance?

Mr. PALMIERI. I believe that the President's new National Security Policy Memorandum makes it a focus of the U.S. Government's effort to engage on human rights and democracy in Cuba. And I believe we have tools that will be available to us through our Embassy on the island with multilateral partners, with other regional partners, to continue to engage with human rights activists on the island and civil society groups. And I believe the new policy will enable us to continue that engagement effectively.

Ms. ROS-LEHTINEN. Good. And we welcome the arrival of the new chief of that section or intersection or Embassy or whatever it is we are calling it these days.

In Nicaragua, as we know, the Ortega regime continues to use his cronies to threaten and undermine civil society members, human rights organizations. Yet, again, the budget proposal zeros out democracy programs in Nicaragua as well.

What is the justification for doing that in Nicaragua, sir?

Mr. PALMIERI. Again, I think foreign assistance was reduced globally. And in an era of constrained budgets, we had to make some difficult priority decisions. Again, in a place like Nicaragua, we have a fully staffed Embassy. I think we can be effective and efficient with some of the other resources we will have at our disposal there to engage with the civil society and human rights activists, and to try to continue to advance our national interests in Nicaragua.

Ms. ROS-LEHTINEN. Thank you.

And lastly—Mr. Chairman, thank you—we get to Venezuela. And I think that the programs in Venezuela have been transformational, have played a substantial and important role in helping the people of Venezuela. Would you both agree with that assessment?

And I know that you are agreeing, but what is the justification of zeroing out funds for Venezuela when it is one of the most important programs with bicameral and bipartisan support on the Hill? It has become a great investment to advance U.S. interests in the region.

Mr. PALMIERI. We absolutely need to continue to support the Venezuelan people in their effort to reestablish and restore their democratic institutions, and we will use all the tools available to us in that effort.

Ms. ROS-LEHTINEN. Thank you. And speaking of the tools, before the committee adjourns, I would kindly give you a list of more human rights violators of Venezuela whom we would like the administration to place on the sanctions list so that they are not able to come and visit Mickey Mouse in Disney World and shop at Bal Harbour and enjoy all the wonderful freedoms that we have here, while they beat the heads and shoot at demonstrators in Venezuela.

Mr. Chairman, thank you for the opportunity to show a short video on the latest violence orchestrated by Maduro and his cronies against the people of Venezuela. And I would like to thank the brave Venezuelan civil society groups on the ground for doing an

amazing job of monitoring the situation, putting this video together for our subcommittee.

Thank you.

[Video shown.]

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman.

Mr. DUNCAN. I will thank the gentlelady for her continued focus in helping keep this subcommittee focused on Venezuela and the human rights abuses going there and, hopefully, future regime change there that we all are hoping for.

The Chair will now go to Mrs. Torres.

Mrs. TORRES. Thank you, Mr. Chairman.

And thank you to our guests for being here. It is great to see you.

As the founder of the Central America Caucus, I have been a strong supporter of U.S. strategy for engagement in Central America. I have a firm commitment to continuing to work in the region in the Northern Triangle.

And as we continue to make the argument for aid in Central America, we need to be able to account for where this aid is going. We need to effectively measure their progress and measure its impact.

The first \$750 million that we appropriated in Fiscal Year 2016, just to make sure, none of that money has gone to the government of any of these countries. Is that correct? Directly into the coffers of the government.

Mr. PALMIERI. That's correct. It is not our policy to deliver that money directly to the government.

Mrs. TORRES. I just wanted that for the record. There has been a lot of questions within groups around how that money is being spent.

Can you account for how much has been spent in each country, and how much is going through contractors versus NGOs, and how the money is balanced between the three main pillars: The rule of law, development, and security? I just want to make sure and get a basic sense of where that money is going.

Ms. LYNCH. With all that detail, we may have to get back to you on some of those numbers. But I would say that it is not a cookie-cutter approach to each of the countries. So the sectors might vary from one country to another, and it depends on the emphasis of our programming.

Mrs. TORRES. Okay.

Mr. PALMIERI. In general, they go to three central pillars of our effort in Central America that get at the drivers of irregular migration. We are trying to improve all three country's ability to address the security conditions in the country. We are trying to help them improve their governance programs, like improving their ability to collect taxes so that their institutions have the ability to provide social services.

Mrs. TORRES. And all of that is important, as well as education. And I want to make sure that the bulk of the money isn't just going for security or to build up more borders. I want to make sure that we are actually spending money to address the root causes that bring children to have to flee their country.

How are you measuring progress in the Northern Triangle? What are the main indicators that you are using in order to ensure that

what we are doing, the work that we are doing, is actually making a difference?

Ms. LYNCH. Some of the indicators that we have are that the governments are taking an interest in investing their own resources in many of the things that we are doing. So, for example, in Guatemala, we helped stand up the 24-hour courts, which help them respond to the legislation that says a detainee has to report to a judge within 24 hours. We helped stand up these courts. The Guatemalans have now taken them over.

Another measure of success is private sector engagement. We now have a great number of private sector efforts there, public-private partnerships, if you will. Microsoft, in El Salvador, is a good example, where they are working with at-risk youth to educate them in various areas, including in computers. And then, finally, civil society, keeping an eye on the government.

Mrs. TORRES. I want to thank you both for recognizing the efforts of CICIG and MACCIH, and the efforts of the Attorneys General leading those causes, and the impact that their work has had on their personal lives and their family and the number of threats.

Are you aware that four members of the Guatemalan Congress have hired and are paying \$80,000 a month for a lobbying firm to come here? And I am assuming that they are lobbying against CICIG.

Mr. PALMIERI. I have seen those press reports that there are press reports of these four individuals engaging a lobbying effort. I do not have specific factual information about what they are funding or not funding.

Mrs. TORRES. At some point I would like for you to report back to this committee if that is true. Because I think that we are spending a significant amount of money, amount of effort, our own time, to focus on that. And as far as I am concerned, my commitment to the Northern Triangle is contingent on the work of CICIG and the work of MACCIH.

Mr. PALMIERI. Thank you. We will do that.

Mr. DUNCAN. The gentlelady's time has expired.

The Chair will now go to Mr. Rooney from Florida.

Mr. ROONEY. Thank you, Mr. Chairman.

There are 85 countries that don't take our deportees. ICE considers 23 of them recalcitrant countries. They consider 62 of them noncooperators. There are 243,000 people, illegal, under deportation orders that their home country won't accept; 57,000 of them have been convicted of a crime. Cuba is number two in the people that they won't accept, that is 40,000. Haiti is number three, 35,000. And Brazil is number four at 30,000.

We had a fellow named Jean Jacques, you may know about him, an illegal Haitian, who was—three times ICE tried to return him to Haiti, and they wouldn't take him. And within 6 months of the third time, in mid-2016, he brutally murdered a 25-year-old lady in Connecticut.

In 2015, we gave Haiti \$½ billion. And right now you are proposing giving Haiti \$157.5 million. So my question—and one more thing. In addition to countries that don't accept our deportees, we gave, in 2016, Ecuador, under Rafael Correa—where I don't even think we had an ambassador at the time—\$10 million. We gave Ar-

gentina \$2½ million. And in Bolivia, under Evo Morales, in 2015—where I am not sure we had an ambassador back down there by that time—we gave them \$56.5 million.

So my question is: Why should we support USAID when you are giving money to countries that won't accept our deportees and that are supporting countries where we can't even position an ambassador and are run by authoritarian dictators?

Ms. LYNCH. Sir, we have had a lot of very good investments both in Haiti, in particular, and Ecuador, in the past. We actually have not had a very extensive program in Ecuador in the recent past. For USAID's part, we have about a \$2 million project that has been funding civil society organizations, not the government at all. Those organizations actually draw attention to some of the issues that you raise. So they are there to raise awareness of things like human rights abuses, lack of governance, corruption, impunity, and things of that nature.

In Haiti, similarly, we do have an effort at civil society, building the capacity for organizations to do the same. At the same time, we are working, again, primarily with the NGO community and private sector, to build up private sector competitiveness. But also, on the health side of things, post-earthquake, there were many, many issues, of course, I am sure you are aware of. We have moved out of some of the those, the infrastructure, into things like housing, finance, and whatnot. But, basically, to create a situation of stability in order to reduce the possibility of illegal immigrants coming from a place like Haiti, same in Central America.

Mr. PALMIERI. In addition, sir, we are working closely with the Department of Homeland Security on a new initiative in this administration to address the problem of recalcitrant countries and their unwillingness to accept the repatriation of duly deported—individuals who are ready for deportation.

Mr. ROONEY. I am really glad to hear that you are supportive of the move of the DHS to take over consular deportation activities and get it out of the State Department. That is the proposal. The proposal is to move it to the Department of Homeland Security, right?

Mr. PALMIERI. I am not aware of any proposal at this time. But what I was referencing, sir, was the effort that the State Department, with the Department of Homeland Security, is looking at ways that we can enhance the repatriation of individuals who are identified for deportation to recalcitrant countries that have not taken—

Mr. ROONEY. So is there any thought about cutting off their money, or are we going to continue to fund programs while they won't do it?

Mr. PALMIERI. Depending on the country, we have a lot of different interests that are in play. But it is very clear under this administration that we are addressing the problem of recalcitrant countries, yes, sir.

Mr. ROONEY. Thank you.

I yield.

Mr. DUNCAN. I thank the gentleman.

I now go to Mr. Espaillat.

Mr. ESPAILLAT. Thank you, Mr. Chairman.

Welcome.

The Inspector General for the Department of State and Justice released a report recently that says that State Department employees were involved in a coverup of a 2012 incident where a drug raid in Honduras went wrong and four civilians were killed. The report finds that the State Department employees failed to comply with and undermined the Ambassador's Chief of Mission authority.

How is the State Department holding accountable these employees cited in the IG's report?

Mr. PALMIERI. Thank you for the question, Mr. Espallat. The IG's report is being handled at the Department and we are preparing our response to those recommendations.

Mr. ESPAILLAT. How are we doing with so far as the nominations of potential ambassadors in Latin America and the Caribbean? Where are we now? Because many of these countries are in instability or right in the middle of a crisis. Do we have any progress with regards to nomination and appointments?

Mr. PALMIERI. Yeah. I believe the administration is making significant process on the appointment of ambassadors in the Western Hemisphere. We have nominees for Canada, the Bahamas, Guatemala, Peru, and Costa Rica, and are working on their nominations, sir.

Mr. ESPAILLAT. Okay. TPS is about to expire for the triangle countries of Honduras, El Salvador, and Guatemala. What is the State Department's position of continuing TPS for several hundred thousand people in the U.S. that are under that status?

Mr. PALMIERI. A temporary protective status, TPS, is a Department of Homeland Security authority, and we will wait for them to consult with us at an appropriate time ahead of that decision, sir.

Mr. ESPAILLAT. Last year, President Obama signed into law a bipartisan U.S.-Caribbean Strategic Engagement Act, authored by both Representatives Engel and Ros-Lehtinen. The administration recently released its new strategy for engaging with the subregion, which was mandated by the bill. Writing a strategy is one thing, but implementing one is another. What are you planning to do to implement this particular initiative?

Mr. PALMIERI. Well, we began last week. Under Secretary Tom Shannon and I attended the Summit of CARICOM Heads of Government in Grenada.

Mr. ESPAILLAT. Grenada.

Mr. PALMIERI. We had extensive meetings during the 2 days that we were there with different heads of government to talk about the strategy that we prepared in response to the legislation and to consult with them on the priorities that we have listed in that report. We will continue to consult stakeholders here in the United States, continue conversations with the Congress, and develop that proposed strategy and implement it as quickly and as effectively as we can.

Mr. ESPAILLAT. Thank you.

Now, the Caribbean Basin Security Initiative is another important initiative for a geopolitical region that is very important to us. And there is currently an economic meltdown in Puerto Rico, Cuba still very unstable, Dominican Republic, Haiti are also facing great

challenges, opening the door there for perhaps increasing crime, drug trafficking, human trafficking. We have seen a reduction in the budget for that region from \$57.7 million to 36.2, and a 36 percent reduction altogether.

So how are we going to be able to respond to the emerging need of that important region for the United States, given the fact that there has been such a dramatic cut in aid for that particular region of the world?

Mr. PALMIERI. Foreign assistance was reduced globally. In the Caribbean, earlier aspects of the Caribbean Security Initiative focused on bigger ticket items, like maritime vessels. And, now, as we move forward in the CBSI, our programs are more focused toward capacity building, training, and maintenance. And so we believe we can continue to use the level of funding that is available to us to advance our national interests there, sir.

Mr. ESPAILLAT. Thank you for your answers. Thank you so much.

Mr. DUNCAN. I thank the gentleman.

The Chair will now go down to Mr. DeSantis from Florida.

Mr. DESANTIS. Well, thank you, Mr. Chairman.

Thank you to the witnesses. I appreciate your service.

I would like to start seeing some of the folks who are going to be the actual appointees nominated and confirmed. I think that is important, particularly for the Western Hemisphere. I have been supportive, and I know the chairman has, of Mauricio Claver-Carone. I think he would do a great job. But bottom line is, we would love to see these decisions made so that these folks can get in place. But I appreciate what you are doing.

Let me ask just you, just to follow up with my friend from Florida, why hasn't the State Department ever halted visas when some of these countries will not take back, particularly the criminal illegal aliens? Under the law, if they are not doing it, State Department shuts off visas until they start to do it. But we have never done that, and I just don't know why.

Mr. PALMIERI. I think that is a very good question. And I would want to consult closely with our Bureau of Consular Affairs. I know the decision to cease visa processing is a very serious one that also has impacts on the U.S. economy in terms of people being able to travel back and forth who might not fall—

Mr. DESANTIS. Well, without question. But I think if you use it, then I think that a lot of the countries are going to change their ways. Because it has a lot of effects on their economies too. And as I understand the law, once DHS says, hey, these countries are recalcitrant—it used to be the Attorney General before DHS, because this law predated DHS—then I think the State Department has to do it. And we have been trying to figure out, is it DHS that is just not providing this to the State Department or is the State Department dragging its feet? And it may be the former as well.

But I think if we can get in a situation where these countries are respecting this, where particularly these criminal illegals, bringing them back, they are accepting that—I don't even think you would need to use it then. But I think at some point you have got to do something, because they have figured out they are just not going to play ball with us. And I think the tragedy has been that has

harmed some of our citizens here, when these people are released into American society.

Let me ask you about Cuba. We had a big policy change in Cuba announced in the winter of 2015. Have human rights on the island improved since that policy change in December 2015?

Mr. PALMIERI. I think President Trump's new policy review of our Cuba policy focuses exactly on that question: How can we ensure that U.S. engagement promotes human rights and democracy on the island?

Mr. DESANTIS. But is it fair to say that there has not really been an improvement? Because as I watched it, people said, hey, the policy hasn't worked, we got to change. Then you changed the policy, and you actually had political arrests go up, and you had even more repression in some respects. And so I don't think you can say—I know I appreciate the President's review of this and changes. I think those are positive steps. But, man, for those 2 years, or 1½ years, I didn't see very much progress. Am I wrong?

Mr. PALMIERI. I think the policy review clearly reflects that we need to work to ensure that U.S. engagement in Cuba produces the kind of progress you are talking about.

Mr. DESANTIS. Venezuela. It has just been an absolute disgrace what is going on there. We have been engaged on this committee for now—I mean, a long time. Since you have really been chairman. And I would like to see us do more to empower the people that are being oppressed.

What is the State Department doing? Is there more Congress can do to help the people that are suffering under the yoke of the Maduro dictatorship?

Mr. PALMIERI. I think we share the same exact view, that we need to find ways to better assist the Venezuelan people in the face of crises, of political, economic, and humanitarian nature.

The State Department continues to press the Venezuelan Government to honor its commitments to the Vatican-led dialogue last fall, specifically to address the humanitarian needs of the Venezuelan people, to respect the role of the National Assembly, to—

Mr. DESANTIS. Well, we have obviously seen—those would all be great. The question is: Is it feasible that this regime will actually ever do any of that or do we really just need to hope that this regime crumbles and that we can have a new regime take its place.

I mean, I don't see how Maduro will ever go in the direction that we want. I mean, you just look at how failed the society is. They are sitting on the number one amount of oil reserves in the world, and yet they have gas shortages. You have people that are losing 15, 20 pounds a year because they have food shortages. It is an absolute failure. But I think what he has shown is, any time the people suffer, he always errs on just trying to cling to his own power, and he has not been open to reform. Am I wrong?

Mr. PALMIERI. I think the record in Venezuela is very clear, as you outlined.

Mr. DESANTIS. Thank you. I yield back.

Mr. DUNCAN. I thank the gentleman.

Now I will go down to Ms. Kelly.

Ms. KELLY. Thank you, Mr. Chairman, for holding a hearing today on advancing U.S. interests in the Western Hemisphere.

The Trump administration has made it a priority to deter illegal migration and combat transnational criminal organizations. However, the President's budget significantly cuts assistance to every country and regional program in Latin America and the Caribbean. Many of these cuts will affect programs that directly work on issues related to immigration and crime.

For example, the U.S. Strategy for Engagement in Central America, which addresses underlying conditions that affect migration, will receive a 39 percent funding cut. The budget has shifted the remaining aid toward security efforts and away from governance and economic growth programs.

However, our country's economic and political circumstances affect this ability to provide national security and stability. Economic prosperity and good governance directly affect the country's ability to combat crime. That is why it is vital that the United States continues to provide assistance.

With such dramatic cuts in aid, would the United States be able to continue to play a meaningful role in the economic and political development of countries in Latin America and the Caribbean? And how does cutting these programs endanger U.S. interest in the region? For both of you.

Mr. PALMIERI. You know, as Secretary Tillerson said in his testimony before the full committee's hearing in Congress, the level of funding devoted to a particular goal is not the most important factor in achieving it. We believe the budget request prioritizes programs that directly support national security imperatives in the region, including stopping transnational criminal organizations and reducing the flow of illegal migrants and illicit goods. And we will use all of the resources that we do have at our disposal to advance U.S. national security and economic prosperity in this region.

Ms. LYNCH. Yes. Likewise, and in a constrained budget environment, I think what the budget reflects is doubling down on the areas that you mentioned. As my colleague mentioned also, illegal migration and the production and transit of illegal drugs north.

In addition, we are building on the programming that we have already done and increasing efforts to leverage resources from the private sector to get more engaged in these efforts as well. Also, we are encouraging other donors to get involved. My colleague mentioned the Central America Conference, which besides the member states from those countries, we had participation from Canada, from, you know, Spain, the EU has expressed interest in this region, as well as Japan. So it is a holistic approach to the region.

Ms. KELLY. So you are trying to find others to supplement where those huge cuts are?

Ms. LYNCH. It is an opportunity for others to participate in these efforts. I mean, I think the environment—a secure and stable hemisphere is important to those donors that I mentioned as well as the private sector.

Ms. KELLY. And have you been successful thus far in finding private or other countries?

Ms. LYNCH. Yes. We have leveraged several million dollars. I will throw out El Salvador as an example, where we have something like 11 or 12 small micro enterprises that have created over 20,000

jobs for Salvadorans and increased sales in the industries by \$150 million. And that is with the help of the private sector.

We also have experience with Microsoft in El Salvador that I mentioned previously, and then a consortium of private sector organizations—Hanes company, Wal-Mart, Citi, et cetera—that are involved in educational opportunities for at-risk youth.

Ms. KELLY. There is a lot of countries to cover. So I hope you are successful.

Following up on the Honduras investigation, are adequate reparations or other compensations contemplated for the Honduran victims of the Ahaus incident detailed in the report?

Mr. PALMIERI. I believe in previous appropriations there has been an effort to make some assistance to the group in that area, but we would want to get back a more fuller answer for the record.

Ms. KELLY. I would appreciate that.

Chairman, I yield back.

Mr. DUNCAN. I thank the gentlelady.

I recognize myself for another round of questions, just because of where we are in the hearing.

Colombia, largest producer of coca. Largest supplier of cocaine seized here in America. Santos dramatically reduced the eradication during the FARC negotiations as a concession. So eradication went down, coca production went up, cocaine supply is at a—maybe an all-time high.

How will the terms of the peace process, as it relates to coca eradication, affect the ability of the U.S. to support Colombian eradication efforts?

Mr. PALMIERI. I think moving forward with peace process implementation, the Colombian Government has developed a strategy to deal with this increase in coca leaf cultivation and the subsequent increase in cocaine production.

We are working, our assistance programs on the counternarcotics side, to complement and support that effort. And I think it will be imperative that our effort and their efforts show immediate results as quickly as we can, given the increase in coca cultivation that you have singled.

Mr. DUNCAN. All right. So the FARC and people that were involved in the FARC are now going to have to find other employment.

The concern is for the Colombians and what these people are going to do. Is there anything in the budget USAID-wise, what is the number, if there are any, to assist the Colombians? Have the Colombians asked us to help them with that through USAID?

Mr. PALMIERI. There is definitely a component to the peace plan implementation and to our assistance program that envisions enhancing the state of Colombia's presence in these regions and promoting alternative developments.

I don't know if you want to add anything.

Ms. LYNCH. Yes. The \$105 million, I think, that we have requested in Fiscal Year 2018 will go toward three areas: Extending state presence where it hasn't been seen in a while in Colombia, improving rural economies there, and then reintegration and inclusive programming. USAID is working right now in 40 of the 58 most insecure areas of Colombia trying to transform those into

areas that—where there will be licit possibilities for the farmers. Tumaco is a great example, where we have already helped about 5,000 families and created 2,000 jobs.

So we are supporting the Colombians to make further progress in those areas.

Mr. DUNCAN. And I think if the peace process is going to be successful in the long run, you are going to have to find other employment. They are going to have to retrain. They are going to have to build schools and roads. The Colombians have got a challenge ahead of them. I think Santos knows that, based on our conversations.

Ranking Member, do you have another question?

Mr. SIRES. Yes. I want to get back to Nicaragua.

Is there any money in the budget to counteract the influence of Russia in Nicaragua? I know they sold 50 tanks and they are opening up a listening post. And I was wondering, how are we focusing on that?

Mr. PALMIERI. Well, we do provide some funding for international military education and training that allows us to maintain U.S. military engagement with elements of the security forces in Nicaragua. We also do some counternarcotics cooperation with Nicaraguan security forces as well.

The Russian presence there is focused on a counternarcotics training facility that they have created.

Mr. SIRES. And as far as Costa Rica is concerned, I think they are one of our best friends that we have there in terms of dealing with this narcotraffic issue.

Are we cutting any of their money?

Mr. PALMIERI. With respect to Costa Rica, I agree, sir, they are one of our best friends and allies in the entire hemisphere, not just in the fight against counter narcotics, but on a whole range of political issues.

We will be looking at ways that we can use current year funding to assist them. In the outyear, they will benefit from the Central America Regional Security Initiative, and they will receive funding.

Mr. SIRES. Didn't we just turn a boat over to them or help them buy a boat?

Mr. PALMIERI. I have to confess, I do know that there is an effort underway, and I will have to get the specifics on the—the desire to—

Mr. SIRES. I am not talking about a speedboat. You know, the deal with the—

Mr. PALMIERI. Yeah, yeah. I am sorry, sir. I will get you a fuller answer on that. I don't know, off the top of my head.

Mr. SIRES. Okay. Thank you.

Mr. DUNCAN. The Chair will now recognize and welcome to the hearing Mr. Meeks. Five minutes.

Mr. MEEKS. Just when you thought you could go home early.

Mr. PALMIERI. It is good to see you, sir.

Mr. MEEKS. Good to see you.

Let me start out—I had some questions and, really, I guess they probably were more appropriate—one is more appropriate for Secretary Tillerson than you, Mr. Palmieri, or Ms. Lynch, because it goes into conflicts of interest or potentially conflicts of interest on

dealing with the President's businesses and what he is doing. I started to ask that question, but I think I am not going to ask either one of you that. I don't want to put you on the spot. I know you are there acting. I do not want you—there is only a few people there now. We don't need anybody to lose anybody. So I will hold off on asking those questions.

But I will ask you questions that I asked the Secretary when he appeared here, and I was waiting to get an answer back, and I have not received one yet. And maybe you can give me an answer. And one of them deals with—the State Department led a U.S.-Brazil Joint Action Plan to Eliminate Racial and Ethnic Discrimination and Promote Equality and the U.S.-Colombia Action Plan on Racial and Ethnic Equality have been important ways to corroborate and coordinate efforts to address systemic racial discrimination.

What resources—this is my question—within the State Department are dedicated to continue the support of these important mechanisms for the advancement of the marginalized and underserved communities in Brazil and Colombia?

Mr. PALMIERI. Thank you for that question, Mr. Meeks. And the Bureau of Western Hemisphere Affairs is very proud of the work we have done to promote social inclusion—race, ethnicity, and social inclusion programming into our efforts in the hemisphere. The two agreements that you—or initiatives you have pointed out with Brazil and Colombia will continue. We continue to have a staff who will work on that. And we will use different pots of available funding for exchange programs and other programs to continue to spotlight the need for progress in those two programs, sir.

Mr. MEEKS. USAID, Ms. Lynch?

Ms. LYNCH. Thank you.

Yes. We consider this a core value of USAID and all the programming that we do. In this region, we have made it a top priority to have inclusivity in all of our programming. In Colombia, I mentioned earlier that we are in 40 of the 58 most difficult parts of the country. Those are largely populated by Afro-Colombians, indigenous people. Our inclusivity programming includes women and others that do not have traditional access to either services by the state or economic opportunities. So it is very important to us, and we will continue to address that issue.

Mr. MEEKS. Thank you.

And, likewise—and I go back to Mr. Palmieri—the indigenous and Afro-Colombian communities in Colombia have been some of the hardest hit by the decades of conflict in that nation. And the peace agreement has the potential, at least, to bring advancements. But the post-conflict period of time has increased the vulnerability of many that are in that area. And when you look at the violence in the remote areas of Colombia, which is home to many of these African-Colombian indigenous communities and where a lot of the FARC is coming back into, how do you envision, with the Fiscal Year 2018 budget request, where there is 44 percent drop in assistance affecting the Afro-Colombian and indigenous population in Colombia? And to what extent could the State Department prepare to assist these communities and USAID in this post-conflict phase?

Mr. PALMIERI. I think as part of the Colombia peace process, working with these communities is a significant part of the peace plan implementation program of the Colombian Government. And I think as USAID has indicated, and I will let Sarah-Ann give more details, this continues to be a core value. And, obviously, any peace plan implementation process to be successful, it will need to address and incorporate these communities into the development efforts.

Ms. LYNCH. Thank you.

Yes. Our programming in Colombia has been preparing for peace for some time. So we have included the indigenous, Afro-Colombians, and other marginalized populations in our programming already. So what we plan to do is build on that programming and improve it and double-down on it and make sure that these populations are a priority.

Mr. MEEKS. Thank you.

Mr. Chairman, I know I am out of time, but I just want to—that is why I didn't and I will not ask either of these witnesses questions about my concerns and the conflicts of interest within the Trump administration. I just want to note for the record that I do have concerns. And I know some of my colleagues have concerns also. But I am not going to do that to these individuals, or to you, Mr. Chairman.

Mr. DUNCAN. You are going to wait for Secretary Tillerson, I guess.

Mr. MEEKS. That is right. But I want the record to be noted any time I speak.

Mr. DUNCAN. The gentleman yields back. And I know we are all looking forward to Secretary Tillerson coming to the committee on the budget, which will happen in full committee.

I do have a letter to President Trump about Venezuela, which I would like to include in the record.

I am going to leave the record open for 5 days for members to add additional statements, possible other questions, including that letter.

So, without objection, that will remain open for 5 days.

And there being no further business of the subcommittee, we will stand adjourned. And I thank the witnesses very much for being here.

[Whereupon, at 4:05 p.m., the subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE RECORD

**SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128**

**Subcommittee on the Western Hemisphere
Jeff Duncan (R-SC), Chairman**

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on the Western Hemisphere in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

DATE: Wednesday, July 12, 2017

TIME: 2:00 p.m.

SUBJECT: Advancing U.S. Interests in the Western Hemisphere: The FY 2018 Budget Request

WITNESSES: Mr. Francisco Palmieri
Acting Assistant Secretary
Bureau of Western Hemisphere Affairs
U.S. Department of State

Ms. Sarah-Ann Lynch
Acting Assistant Administrator
Bureau for Latin America and the Caribbean
U.S. Agency for International Development

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON Western Hemisphere HEARING

Day Wednesday Date July 12, 2017 Room 2172 RHOB

Starting Time 3:08pm Ending Time 4:05pm

Recesses n/a (to) (to) (to) (to) (to) (to)

Presiding Member(s)

Chairman Jeff Duncan

Check all of the following that apply:

Open Session ☒

Executive (closed) Session ☐

Televised ☐

Electronically Recorded (taped) ☒

Stenographic Record ☒

TITLE OF HEARING:

"Advancing U.S. Interests in the Western Hemisphere: The FY 2018 Budget Request"

SUBCOMMITTEE MEMBERS PRESENT:

Chairman Duncan, Ranking Member Sires, Rep. Ros-Lehtinen, Rep. DeSantis, Rep. Rooney, Rep. Castro, Rep. Torres, Rep. Kelly, Rep. Espaillat, Rep. Meeks

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an "x" if they are not members of full committee.)

N/A

HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

*Rep. Duncan Letter for the Record
Rep. Duncan Opening Statement for the Record
Rep. Sires Opening Statement for the Record
Rep. Duncan Question For the Record
Rep. Engel Question For the Record
Rep. Torres Question for the Record*

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 4:05pm

[Signature]
Subcommittee Staff Associate

MATERIAL SUBMITTED FOR THE RECORD BY THE HONORABLE JEFF DUNCAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH CAROLINA, AND CHAIRMAN, SUBCOMMITTEE ON THE WESTERN HEMISPHERE

Congress of the United States
Washington, DC 20515

July 18, 2017

The President
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Mr. President:

We write to express our concern with the Government of Venezuela's attempt to rewrite the country's constitution through the formation of a Constituent Assembly, expected to take place on July 30th. We urge your Administration to oppose this action, which promises to further exacerbate an already deteriorating political, social, and economic crisis, making it harder for the Venezuelan people to achieve the peaceful outcome for which they are struggling.

Venezuela's regime has mismanaged the economy, undermined democracy, and committed widespread human rights abuses against the Venezuelan people. This has resulted in food shortages and over three months of street protests that have left over 100 people dead. The Maduro regime has used both loyalists in the Supreme Court and armed groups to undermine the opposition-held National Assembly. In May 2017, Maduro called for a Constituent Assembly under the guise of rewriting the constitution but with the goal of further consolidating power and control. This is a clear violation of Venezuela's own laws, as the current constitution already includes a mechanism for recourse and reform, including a national referendum which Maduro has repeatedly ignored.

In June, Venezuela's attorney general and long-time Chavez loyalist, Luisa Ortega, called on the Supreme Court to annul the process used to form the Assembly. The court swiftly dismissed the call and banned Ortega from leaving the country, froze her assets, and held a pre-trial hearing on July 4, 2017. Maduro has already begun to handpick loyalists to this Assembly, including former Minister of Foreign Affairs, Delcy Rodriguez and Iris Varela, the former Minister of Venezuela's corrupt and criminal prison system.

A Constituent Assembly would lead to the creation of a new constitution that would likely eliminate any semblance of institutional democracy in Venezuela, as well as any hope for free and fair elections under credible international observers. This new mechanism would also strengthen and entrench a regime that is inherently corrupt, commits widespread human rights abuses, and is tied to narco-trafficking and transnational criminal organizations. We believe that this Constituent Assembly could push the already-volatile situation into a broader conflict, resulting in more deaths and a wider humanitarian and refugee crisis. The effects of this would not only overwhelm countries bordering Venezuela but would directly compromise the interests of the U.S. and those of our regional partners.

We firmly believe the U.S. should continue to work with the OAS and the United Nations to pressure the Venezuelan regime to end the violence and restore democracy. We urge your administration to condemn the Constituent Assembly and work with like-minded international

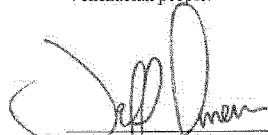
Letter to President Trump
July 18, 2017
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partners before July 30th to pressure the Maduro regime to suspend it, consistent with the Inter-American Democratic Charter, to which Venezuela is a party.


Further, if the Maduro regime moves forward with the Assembly or takes other anti-democratic actions that disrupt peace and stability, we urge you to work with our international partners to take additional meaningful actions commensurate with the disruption of democratic principles. We also urge you to leverage our relationships with neighboring countries to support democracy and human rights in Venezuela in order to advance U.S. interests in the region and uphold the Inter-American Democratic Charter at the OAS. We reiterate our call to the Maduro regime that it should hold free and fair elections as soon as possible, release all political prisoners, release U.S. citizens, adhere to democratic principles, permit the delivery of humanitarian food and medicine, and cease ties to drug trafficking activities.


Thank you for the attention and support on these matters. We welcome opportunities to work with you to strengthen U.S. engagement on Venezuela to ensure a better future for the Venezuelan people.


Sincerely,

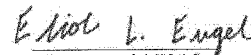

 Jeff Duncan (SC-03)
 Member of Congress



 Edward R. Royce (CA-39)
 Member of Congress



 Ileana Ros-Lehtinen (FL-27)
 Member of Congress


 Michael T. McCaul (TX-10)
 Member of Congress



 Albio Sires (NJ-08)
 Member of Congress



 Eliot L. Engel (NY-16)
 Member of Congress

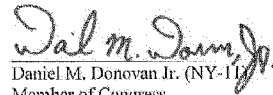

 Joaquin Castro (TX-20)
 Member of Congress



 Norma J. Torres (CA-35)
 Member of Congress

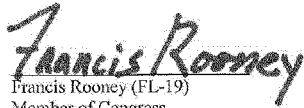
Letter to President Trump
July 18, 2017
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Ron DeSantis (FL-06)
Member of Congress


Ted Deutch (FL-22)
Member of Congress

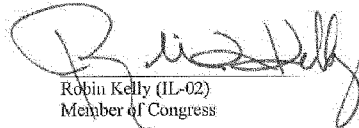

Daniel M. Donovan Jr. (NY-11)
Member of Congress



Fredrica Wilson (FL-24)
Member of Congress

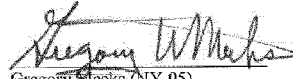

Francis Rooney (FL-19)
Member of Congress

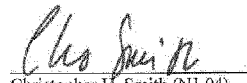

Adriano Espaillat (NY-13)
Member of Congress



Mario Diaz-Balart (FL-25)
Member of Congress



Robin Kelly (IL-02)
Member of Congress

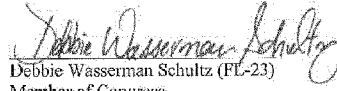

Mo Brooks (AL-05)
Member of Congress


Gregory Meeks (NY-05)
Member of Congress


Christopher H. Smith (NJ-04)
Member of Congress

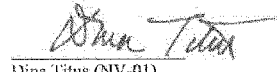

William R. Keating (MA-01)
Member of Congress



Carlos Curbelo (FL-26)
Member of Congress



Debbie Wasserman Schultz (FL-23)
Member of Congress


Letter to President Trump
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Ted S. Yoho, D.V.M. (FL-03)
Member of Congress


Dina Titus (NV-01)
Member of Congress


Paul Cook (CA-08)
Member of Congress


Lois Frankel (FL-21)
Member of Congress


David N. Cicilline (RI-01)
Member of Congress

CC: The Honorable Rex W. Tillerson, U.S. Secretary of State

Questions for the Record

House Committee on Foreign Affairs Subcommittee on the Western Hemisphere Hearing
"Advancing U.S. Interests in the Western Hemisphere: The FY2018 Budget Request"
 July 12, 2017 at 2:00 p.m. in Rayburn Room 2172

Chairman Jeff Duncan

TO: ALL WITNESSES

1. Hezbollah / TBA: The Tri-border Area (TBA) continues to be a main source of revenue for Hezbollah.
 - Are you satisfied that the three governments in the area are doing all they can to combat Hezbollah terror finance in the TBA?
 - Are Hezbollah revenues in the TBA growing or shrinking, both in absolute terms and relative to Hezbollah's total budget? Can you quantify those revenues and tell us what percentage of Hezbollah's budget do they represent?
 - Is it a priority of the Trump admin to disrupt Hezbollah financial flows from the TBA?
 - What tools may the Administration need from Congress to make the executive branch more effective in tackling Hezbollah?
2. Colombia / Coca: How much does the U.S. plan to spend in FY 2017 and FY 2018 to support Colombia's efforts to reduce coca cultivation, whether through forced eradication or through voluntary eradication/crop substitution?

TO: MR. PALMIERI

1. Paraguay / Sanctions: You recently traveled to Paraguay. Are you satisfied that the government of Paraguay is doing its best to support the implementation of U.S. sanctions against Hezbollah's Specially Designated Global Terrorists in the Tri-border Area?
2. HIFPA: In 2015 Congress passed HIFPA, in order to empower the Executive branch in its global fight against Hezbollah's terror finance. To date, HIFPA measures were not adopted against financial institutions in Latin America, especially in the Tri-border Area of Argentina Brazil and Paraguay, despite a robust presence of a Lebanese Shia community there with proven ties to Hezbollah and despite ongoing trade based money laundering activities by its members.
 - Could you tell Congress why the Obama administration never activated HIFPA measures against Hezbollah in Latin America? Is it because there are no activities worth targeting or because HIFPA provides the executive branch insufficient tools?
3. Paraguay / Narcotics: In March the State Department released its annual International Narcotics Control Strategy Report. The section on Paraguay indicates the Paraguayan authorities may have intentionally misshaped an investigation about a \$1.2 billion money laundering scheme implicating a suspected Hezbollah financier. It is my understanding that the bank implicated in the scheme is Banco Amambay, a financial institution linked to the president of Paraguay.
 - Are you satisfied that the Government of Paraguay is doing what's required to successfully prosecute those involved?
 - Did that money, or part thereof, go through the financial system of the U.S.?
4. Venezuela / Sanctions: The Venezuelan state oil company, PDVSA, is guilty of collusion with Maduro's regime's systematic repression of Venezuelans. It is also enmeshed in large corruption

schemes. The Obama administration lifted sanctions against PDVSA in January 2016, as part of the Iran Deal or JCPOA.

- Can the executive branch re sanction PDVSA, given its current status as beneficiary of the JCPOA? Should it be re sanctioned, in your opinion?

Rep. Elliot L. Engel

TO: ALL WITNESSES

1. In the May 24, 2017 report by the Inspectors General of the Departments of State and Justice on *Responses by DEA and the State Department to Three Deadly Force Incidents in Honduras*, we learn that DEA and State Department officials referred to a U.S.-vetted Honduran police unit as "highly trained and vetted" and described joint operations involving the unit and DEA FAST as being "Honduran led." However, the IGs found that officials were aware that these descriptions were inaccurate and that, in fact, the unit was "not capable of leading such operations." Moreover, the IG review found that agents from the vetted unit manipulated evidence and produced erroneous testimonies.

Meanwhile, a recent ProPublica investigation has revealed that members of another U.S.-vetted police unit in Mexico are believed to have leaked extremely sensitive information about the Zetas drug cartel which resulted in the killing of more than 50 people in Allende, Mexico in 2011.

These findings raise serious concerns regarding our vetted unit programs in Latin America as well as regarding how our government deals with - or fails to deal with - deficiencies and shortfalls in the preparedness and professionalism of US-vetted foreign security units.

What corrective measures are being taken to ensure that, going forward, U.S.-vetted units meet minimal standards that allow them to lead law enforcement operations effectively and professionally? What measures are being taken to ensure that serious problems that emerge within vetted units are promptly investigated and dealt with and to ensure that Congress is provided accurate also information regarding the capacity, competence and integrity of vetted units?

Rep. Norma J. Torres

TO: ALL WITNESSES

1. Of the \$750,000,000 appropriated for the U.S. Strategy for Engagement in Central America in Fiscal Year 2016 and the \$655,000,000 for Fiscal Year 2017, what is the approximate value of the total assistance assigned to each Central American country, including both bilateral assistance and assistance through the Central America Regional Security Initiative and any other regional programs?
2. Of the \$750,000,000 appropriated for the U.S. Strategy for Engagement in Central America in Fiscal Year 2016 and the \$655,000,000 for Fiscal Year 2017, what is the approximate value of the total assistance assigned to support each of the three main pillars of the U.S. Strategy for Engagement in Central America: prosperity, security, and governance?

3. Of the \$750,000,000 appropriated for the U.S. Strategy for Engagement in Central America in Fiscal Year 2016 and the \$655,000,000 for Fiscal Year 2017, what is the approximate value of the total assistance that will be delivered through contracts, versus grants and cooperative agreements?
4. What are the specific indicators that State and USAID are using to measure progress for the U.S. Strategy for Engagement in Central America?

[**Note:** Responses to the previous questions were not received prior to printing.]

